

Update on Human Resources Audit Response

Organization and Personnel Committee
Item 7a
October 11, 2010

Enumerated Findings (Sections VI – IX)

- **Section VI – Workforce Development (Part 1):** The eight strategies offered by Human Resources are ambitious and quite broad for effective implementation within a workforce as diverse in job families and steeped in past practices. They should, therefore be reviewed and prioritized by senior management annually until they are achieved.

Deliverables:

- We agree that the eight strategies offered by Human Resources for Metropolitan are ambitious. In our current plan, prioritization and tracking of these strategies will be accomplished through quarterly reviews by General Manager, Jeff Kightlinger, Chief Administrative Officer, Gilbert Ivey, our newly established Human Resources Group Manager Meeting, and by periodic reviews of Human Resources deliverables presented to the Organization and Personnel Committee.

Enumerated Findings (Sections VI – IX)

Deliverables:

- An aligned partnership between Human Resources and management must be developed in order for Human Resources programs and initiatives to be effective.
- Our goal is to eventually have management, not Human Resources, own and drive all Human Resources programs and initiatives moving forward.
- **Section VI – Workforce Development (Part 2):** The knowledge transfer activities of certain critical jobs need to be prioritized to support preparations for inevitable change. The aging workforce at Metropolitan indicates a need to focus in on key areas: (1) Succession Planning, (2) Expanding technical training and apprenticeship programs to transfer knowledge, and (3) Supervisory and management development to build leaders for the future replacement of retiring managers.

Enumerated Findings (Sections VI – IX)

Deliverables:

- The likely departure of approximately half of the workforce over the next 10 years offers Metropolitan great opportunities to creatively address long-term cost containment and expand staff skills and competencies in critical work areas. Completing the succession plan process presented to the Organization and Personnel Committee and effectively implementing the plan is an essential element to our success at Metropolitan. Management teams have been asked to identify critical job gaps. This will insure that the proper tools are installed in these areas to capture and memorialize the knowledge and skills that are required to succeed moving forward. A formal succession plan will be ready for review and approval in the first half of 2011.

Enumerated Findings (Sections VI – IX)

Deliverables:

- Programs addressing Performance Management, as well as new technical and management training programs have been and continue to be developed to best prepare our future leaders and help Metropolitan implement a smooth transition and replacement of our retiring management personnel. Enhancements in these areas will be on-going.

Enumerated Findings (Sections VI – IX)

- **Section VII – Job Classification Studies:** Progress has been made since the 2005 Audit as Human Resources is approaching the end of a series of studies. Human Resources uses the “whole job” comparison method. Rather than a single, enterprise-wide study classification study, there have been studies based on bargaining unit(s) resulting in internal equity issues.

Deliverables:

- After a ten plus year delay, Human Resources has now completed all contractual obligations to the Association of Confidential Employees (ACE) and the AFSCME, Local 1902 Class/Comp Studies. The only items that remain are some small modifications to a few descriptions by management and AFSCME. The option to negotiate any changes to pay is left to AFSCME during our current negotiations if they so choose.

Enumerated Findings (Sections VI – IX)

Deliverables:

- Initial meetings have begun on the desired change from a “whole job comparison method” job evaluation plan to a point factor system. Although desirable, a change of this magnitude must be carefully designed and implemented if it is to be successful. Target date for completion of this project is the second half of 2011.

Enumerated Findings (Sections VI – IX)

- **Section VIII – Recruiting Services:** Efforts to rebuild recruiting capability were not fully successful. While some services are co-sourced with vendors that manage temporary staffing, background checks and drug testing; transferring ownership of the remaining services offers an opportunity to rethink appropriate roles and processes of the Human Resources organization with its internal and external partners.

Deliverable:

- Human Resources agrees that further improvements to recruiting can and will take place, but also believes that improvements to processes and cost have also been greatly improved. Going forward, Human Resources agrees that there are further opportunities for increased co-sourcing and we are currently exploring those opportunities. We are using web-based sourcing tools such as JobFox and the EDD job board, as suggested by the audit, and replaced PeopleSoft E-recruit and E-recruit Manager with Hodes IQ, an automated applicant tracking system.

Enumerated Findings (Sections VI – IX)

- **Section IX – Human Resources Technology:** The upgrade and conversion to PeopleSoft 8.9 and/or 9.0 has been completed and greatly improved functionality in Human Resources, except for recruitment that requires a different solution.

Deliverables:

- Human Resources appreciates the recognition of the great strides it has made in upgrading its technological capacities. The recommendations provided in the audit report are in progress with an Applicant Management System and Performance Management System as the two priorities. Upgrading the PeopleSoft system is planned for the 2012 calendar year. In addition, we are continuing to assess technology solutions in various areas of Human Resources for reducing record keeping and transaction costs, improving processes and increasing management access to workforce-related data.

End of Presentation